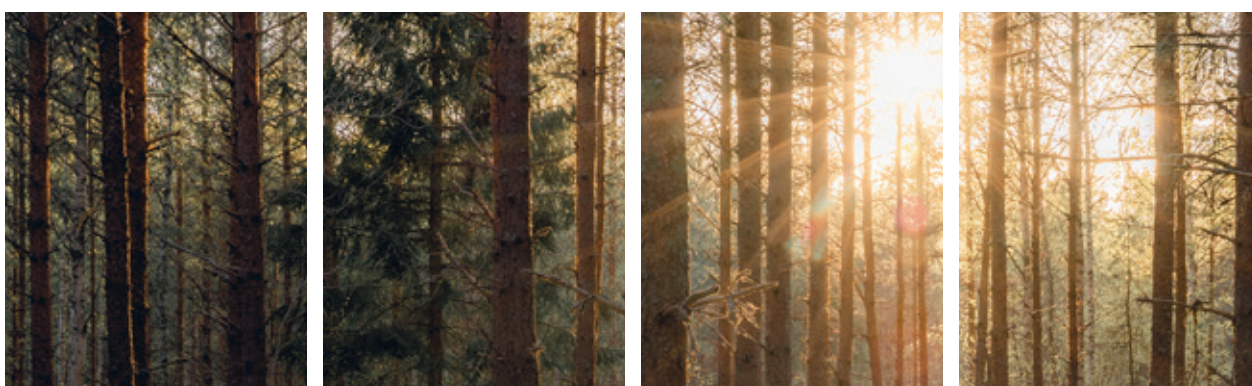


# YEAR-END REPORT 2024



## THE FULL YEAR

- Net revenue totalled SEK 3,315 million (3,431)
- Operating profit amounted to SEK 183 million (301)
- Profit before tax amounted to SEK 115 million (226)
- Profit after tax amounted to SEK 100 million (175)
- Earnings per share were SEK 1.69 (3.01)
- Cash flow from operating activities amounted to SEK 172 million (519)
- No dividend is proposed (previous year SEK 1.00 per share)

## Important events during the year

- Graniten Engineering was acquired
- Dansk Rotations Plastic was acquired
- Issue of personnel convertibles 2024/2027
- Divestment of a real estate company

## THE FOURTH QUARTER

- Net revenue totalled SEK 857 million (836)
- Operating profit amounted to SEK 78 million (54)
- Profit before tax amounted to SEK 64 million (23)
- Profit after tax amounted to SEK 61 million (18)
- Earnings per share were SEK 1.03 (0.30)
- Cash flow from operating activities amounted to SEK 33 million (326)

GROUP SUMMARY	2024 3 mths Oct-Dec	2023 3 mths Oct-Dec	2024 12 mths Jan-Dec	2023 12 mths Jan-Dec
Net revenue, SEK million	857	836	3,315	3,431
Operating profit, SEK million	78	54	183	301
Operating margin, %	9.1	6.5	5.5	8.8
Operating profit, excluding items affecting comparability, SEK million	64	54	174	294
Adjusted operating margin, %	7.5	6.5	5.3	8.6
Profit before tax, SEK million	64	23	115	226
Profit margin, %	7.5	2.9	3.5	6.6
Profit before tax, excluding items affecting comparability, SEK million	50	23	106	219
Adjusted profit margin, %	5.9	2.9	3.2	6.4
Net profit, SEK million	61	18	100	175
Basic earnings per share, SEK	1.03	0.30	1.69	3.01
Cash flow from operating activities, SEK million	33	326	172	519
Equity/assets ratio, %	45	44	45	44

## CEO'S COMMENTS ON THE GROUP'S DEVELOPMENT DURING THE PERIOD



### THE GROUP

Overall, the past year has presented significant challenges from various perspectives. In the final quarter, however, market developments were judged to be somewhat more favourable in relative terms. We also observed increasingly significant impacts from the adaptation measures implemented. While this was not enough for us to reach our full-year profitability targets, it gives us a positive start to 2025.

In organic terms, full-year volumes decreased by approximately 10 per cent, but with the addition of 7 per cent from acquired units, we still achieved revenue close to the previous year's level. However, the margins were considerably worse. The biggest impact came from the challenges faced by several companies in the Industrial Solutions business unit, where market conditions forced extensive restructuring of operations and organisations. In Industrial Products, the outcome was also significantly lower than in the previous year. In total, the business units' full-year profits were charged with SEK 35 million in costs related to restructuring measures and SEK 31 million for anticipated bad debts. At Group level, a capital gain on the disposal of a real estate company contributed positively by SEK 66 million.

During the fourth quarter, consolidated revenue amounted to SEK 857 million (836), which is 2 per cent higher than the corresponding period last year. Adjusted operating profit totalled SEK 64 million (54) and adjusted operating margin was 7.5 per cent (6.5). Operating cash flow amounted to SEK 33 million (326).

Group revenue for the full year fell by just over 3 per cent compared to the previous year, totalling SEK 3,315 million (3,431). Organic growth stood at -10 per cent. Adjusted operating profit amounted to SEK 174 million (294) and adjusted operating margin was 5.3 per cent (8.6). Cash flow from operating activities totalled SEK 172 million (519).

### THE INDUSTRIAL PRODUCTS BUSINESS UNIT

In relation to the previous year, sales fell by 2 per cent and operating profit decreased by 57 per cent.

This poor performance was largely related to production in the automotive industry in one of the business unit's Norwegian operations. Industry-specific challenges, combined with low productivity and quality shortage costs, prompted far-reaching restructuring measures. Following a period of declining demand from the European agricultural sector, the Group's Dutch unit has also been subject to significant adjustment measures. On the



plus side, the latest addition, Danish DRP, showed good growth and profitability. The company has also won a major new project involving several of its sister companies. The business unit experienced a positive trend in enquiries and order intake, including a clear upturn in the Norwegian boat business towards the end of the year. The share of proprietary products in the total order book is increasing, thereby strengthening margins. Product development continues at a rapid pace, driven by sustainability principles and a shift towards more circular flows.

#### **THE INDUSTRIAL SOLUTIONS BUSINESS UNIT**

In relation to the previous year, sales fell by 4 per cent and operating profit decreased by 62 per cent.

The significant decline for the can manufacturing industry meant an overall volume decrease of more than 10 per cent and more than 50 per cent for the largest company concerned. The loss of revenue, combined with the costs of adapting to new conditions, had a significant impact on profitability. Our project-related operations had few major assignments in general during the year. Instead, the turnover was distributed over a larger number of smaller projects, which consumed comparatively more resources. In contract manufacturing, growth has been hampered in particular by the cautious attitude of established customer segments in China. However, despite generally challenging market conditions, several of the companies managed to maintain good margins through proactive initiatives. In the field of sustainable energy, the business unit has had great success in the past. Operational disruptions and difficulties in scaling up production according to plan have led to productivity and solvency problems for several customers. For us, this means a great deal of uncertainty about ongoing projects and we have made a provision of just over SEK 30 million in 2024 for anticipated bad debt losses. Large future order volumes have been cancelled but confidence in the sector itself remains. We are exploring new business niches, while the ongoing shift in focus from construction to maintenance is generating growth for our aftermarket services. The development of new geographical markets continues.

#### **THE PRECISION TECHNOLOGY BUSINESS UNIT**

In relation to the previous year, sales fell by 1 per cent and operating profit decreased by 2 per cent.

Market conditions in the business unit's traditionally strong sectors, such as medical technology and automotive, remained cautious in the latter part of the year. In parallel, growth related to assignments in the defence sector remained strong. Overall, both revenue and profitability were higher than in the fourth quarter of the previous year and the full-year figures were only fractionally lower. The companies' strategic sales activities have generated inputs for future projects. Several interesting enquiries and projects are in progress, but closing deals are still a slow process. The adaptation of organisations continues through cost savings and improvement of internal processes. Activities are also coordinated to achieve further optimisation.

#### **FUTURE DEVELOPMENT**

Although some stabilisation was experienced in parts of our business in the fourth quarter, there are no consistent signs of any significant change in the near future. Therefore, we are continuing to adjust and restructure, albeit on a smaller scale than in 2024. At the same time, we see that past activities are starting to have an impact.

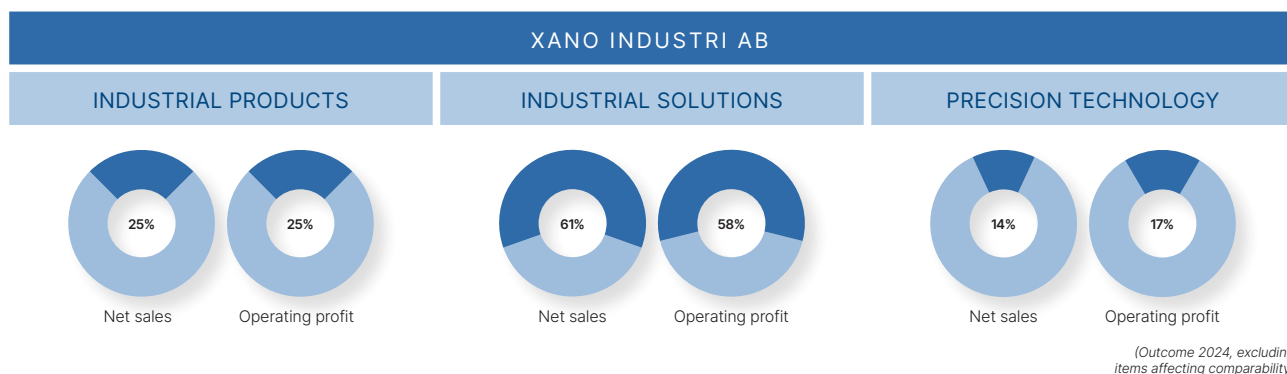
The transition within our companies has led to collaboration with several new customers, resulting in the launch of new production, which will continue moving forward. These investments have a negative impact on profitability in the short term but are expected to generate returns in the latter part of the year.

The sale of a real estate company in the fourth quarter provided a healthy capital injection. The evaluation of similar activities supporting our strategic transition and future initiatives is ongoing.

Lennart Persson  
*President and CEO*

## GROUP OVERVIEW

The XANO Group is made up of engineering companies that offer manufacturing and development services for industrial products and automation equipment. The Group is represented in the Nordic region, Estonia, the Netherlands, Poland, China, the USA and Australia. The operations are divided up into the Industrial Products, Industrial Solutions and Precision Technology business units.



### INDUSTRIAL PRODUCTS

Q1–Q4 2024 vs Q1–Q4 2023: Sales fell by 2 per cent and operating profit decreased by 57 per cent.

		2024 Q1–Q4	2023 Q1–Q4
Net sales	SEK m	834	852
Operating profit	SEK m	32	75
– of which items affecting comparability		-21	5
Operating margin	%	3.9	8.8

*Dansk Rotations Plastic is included as from 5 April 2024.*

Operations within the Industrial Products business unit comprise the design, manufacture and sale of plastic components and systems produced by means of rotational moulding, injection moulding and blow moulding. Deliverables include both customer-specific and proprietary products.

### INDUSTRIAL SOLUTIONS

Q1–Q4 2024 vs Q1–Q4 2023: Sales fell by 4 per cent and operating profit decreased by 62 per cent.

		2024 Q1–Q4	2023 Q1–Q4
Net sales	SEK m	2,033	2,126
Operating profit	SEK m	86	226
– of which items affecting comparability		-36	-1
Operating margin	%	4.2	10.6

*Lundgren Machinery is included as from 1 June 2023. Integrated Packaging Solutions is included as from 30 September 2023. Graniten Engineering is included as from 22 March 2024.*

Companies within the Industrial Solutions business unit supply in-house developed automation solutions, such as packaging machines, accumulators and conveyor systems, to the packaging and food industries. Operations also comprise industrial end-to-end production software solutions as well as contract assignments for advanced industrial products in small and medium-sized production runs.

### PRECISION TECHNOLOGY

Q1–Q4 2024 vs Q1–Q4 2023: Sales fell by 1 per cent and operating profit decreased by 2 per cent.

		2024 Q1–Q4	2023 Q1–Q4
Net sales	SEK m	449	455
Operating profit	SEK m	36	37
– of which items affecting comparability		-	3
Operating margin	%	8.1	8.1

Operations within the Precision Technology business unit cover component and system manufacture using advanced cutting processes, laser welding and 3D printing for the production of parts involving demanding quality and precision requirements.

## FINANCIAL DISCLOSURES AND OTHER INFORMATION

### GENERAL INFORMATION

All amounts are reported in millions of Swedish kronor and relate to the Group, unless otherwise indicated. Amounts in brackets refer to the corresponding period last year.

### REVENUE AND PROFIT

#### *The fourth quarter*

Net revenue totalled SEK 857 million (836). Adjusted operating profit amounted to SEK 64 million (54), corresponding to an adjusted operating margin of 7.5 per cent (6.5). Operating profit amounted to SEK 78 million (54), corresponding to an operating margin of 9.1 per cent (6.5). Profit before tax was SEK 64 million (23).

#### *The full year*

Net revenue totalled SEK 3,315 million (3,431). Adjusted operating profit amounted to SEK 174 million (294), corresponding to an adjusted operating margin of 5.3 per cent (8.6). Operating profit amounted to SEK 183 million (301), corresponding to an operating margin of 5.5 per cent (8.8). Profit before tax was SEK 115 million (226).

### ITEMS AFFECTING COMPARABILITY

#### *The fourth quarter*

Items affecting comparability totalled SEK 14 million (-) and include costs for restructuring activities of SEK -21 million (-), items related to business combinations of SEK 66 million (-) and other items of SEK -31 million (-).

#### *The full year*

Items affecting comparability totalled SEK 9 million (7) and include costs for restructuring activities of SEK -35 million (-), items related to business combinations of SEK 75 million (-3) and other items of SEK -31 million (10).

### SHARE DATA AND KEY FIGURES

#### *The full year*

Basic earnings per share were SEK 1.69 (3.01). Equity per share was SEK 28.99 (27.91). The average number of outstanding shares was 59,264,032 (58,302,218). The equity/assets ratio was 45 per cent (44) at the end of the period. The average number of employees was 1,411 (1,381).

### IMPORTANT EVENTS DURING THE PERIOD

On 22 March, XANO acquired the automation company Graniten Engineering AB, based in Uddevalla, Sweden. Graniten develops and produces high technology solutions for automation processes. Its customers are leading players in pharma, medtech

and healthcare, mainly located in Europe. The company has 70 employees and net sales totalled SEK 100 million during the 2022/2023 financial year. Graniten is a part of XANO's Industrial Solutions business unit. Graniten is long known for the manufacture of case packers and the development of automation solutions. Networking in pharma, medtech and other industries offers additional growth opportunities for both Graniten and its new sister companies. Graniten will also continue to work with existing business opportunities in contract manufacturing. Consolidation is effective as of 22 March 2024. The acquisition is initially expected to have a marginal impact on XANO's earnings per share.

On 5 April, XANO acquired the renowned rotational moulding company Dansk Rotations Plastic ApS (DRP). Based in Kalvehave, Denmark, DRP has been developing and manufacturing rotomoulded polymer products for over 50 years. The company's services include everything from design and toolmaking to production and post-processing. Its customers are leading companies involved in cleantech, chemical industry, lighting and furniture manufacturing, mainly located in Denmark. DRP's sales are evenly distributed between customer-specific assignments and in-house developed products in industry, agriculture, cleantech and leisure. The company reported a turnover of DKK 47 million for the 2022/2023 financial year. DRP is a part of XANO's Industrial Products business unit, which includes companies that work in polymer materials and have a strong focus on sustainability. DRP complements operations at Cipax by adding expertise and production capacity, as well as providing access to new markets. Cipax already has a strong position in the Nordic region and Northern Europe. The acquisition creates new business opportunities for the proprietary product ranges in the industry, marine and cleantech segments at both Cipax and DRP. Consolidation will be effective as of 5 April 2024. The acquisition is expected to have a marginal impact on XANO's earnings per share. In connection with the acquisition, 179,442 own Class B shares were transferred. After this transaction, XANO holds 329,690 own class B shares corresponding to 0.6 per cent of total share capital.

On 16 May 2024, the Annual General Meeting of XANO Industri AB resolved to approve the Board of Directors' proposal to issue a maximum of 400,000 convertible bonds corresponding to a maximum nominal value of SEK 35 million, with a maturity from 1 October 2024 to 30 September 2027. With deviation from the shareholders' preferential rights, the right to subscribe for convertible bonds was only granted persons who are employed or otherwise engaged on a permanent basis by XANO Industri AB (publ) and its subsidiaries. Registration for subscription was made during the period 22–30 August 2024.

The convertible bond programme generated great interest, and the issue was oversubscribed by approx. 25 per cent. Employees within the XANO Group have been allotted 330,180 convertible bonds at a price of SEK 106, corresponding to a total nominal value of SEK 34,999,080. The interest rate on the convertible bond amounts to STIBOR 3M plus 2.00 percentage points and is paid annually in arrears. Each convertible bond can be converted into one Class B share in XANO Industri AB during the period 1–12 September 2027. If all convertible bonds are converted into shares, the dilution will be approx. 0.6 per cent of the share capital and approx. 0.2 per cent of the voting rights based on the current total number of shares.

On 1 October, 330,180 convertible bonds corresponding to a total nominal value of SEK 35 million were issued to employees within the XANO Group. The convertible bond programme runs until 30 September 2027.

In October, all the shares in XANO Fastigheter Ljungarum AB were divested. The company owns an industrial property in Jönköping, Sweden. On an ongoing basis, the divestment will have a small impact on XANO's earnings and financial position. The purchase price, which was paid in cash, amounts to SEK 73 million and brings an estimated capital gain of SEK 66 million during the fourth quarter. The sale entails an increased capital scope and is part of XANO's continued work with aggressive transformation through investments in product development and innovations as well as through acquisitions and establishment in new geographical areas and market niches.

#### EVENTS AFTER THE END OF THE PERIOD

There are no individual events of major significance to report after the closing day.

#### INVESTMENTS

##### *The fourth quarter*

Net investments in non-current assets came to SEK 72 million (47), of which SEK -38 million related to business combinations, SEK 6 million to intangible assets, SEK 23 million to property, plant and equipment, SEK 67 million to right-of-use assets and SEK 14 million to financial assets

##### *The full year*

Net investments in non-current assets came to SEK 332 million (378), of which SEK 142 million related to business combinations, SEK 20 million to intangible assets, SEK 78 million to property, plant and equipment, SEK 78 million to right-of-use assets and SEK 14 million to financial assets.

#### CASH FLOW AND LIQUIDITY

##### *The full year*

Cash flow from operating activities amounted to SEK 172 million (519). Decline in earnings and higher capital tied up in project activities explain the weaker cash flow in relation to the comparison period.

Liquid assets, including lines of credit granted but not utilised, totalled SEK 1,373 million (1,417) on the closing day.

#### RISKS AND UNCERTAINTY FACTORS

The Group's main risks and uncertainty factors include operational risks associated with customers and suppliers and other external factors such as price risks for input goods. In addition, there are financial risks as a result of changes in exchange rates and interest rate levels.

The Group's operations span many different sectors and customer segments, which generally entails a good spreading of risk. We also enjoy a high level of preparedness to make adjustments. The conflict in Ukraine and the lingering effects of the coronavirus pandemic still constitute risk and uncertainty factors that could entail significant consequences for the Group's operations. These risk and uncertainty factors relate primarily to a lack of access to components, disruptions in the supply chain, price rises and insufficient access to energy. The willingness to invest on the part of some of the Group's major customers is also closely linked to the development of the global economy.

A statement on the Group's other main financial and operational risks can be found on pages 103–104 of the 2023 annual report.

#### RELATED PARTY TRANSACTIONS

During the year, no transactions that have significantly affected the Group's financial performance and position have been conducted between XANO and related parties.

#### PROPOSED DIVIDEND

Activities that facilitate the Group's continuing transition and enable aggressive investments for the future are evaluated and carried out on an ongoing basis. As part of the work to secure resources for this, the Board of Directors proposes to the Annual General Meeting that no dividend be paid for the 2024 financial year.

The previous year, a dividend of SEK 1.00 per share, totalling SEK 59.1 million, was paid, representing approx. 34 per cent of net profit for the period.

**ANNUAL GENERAL MEETING 2025**

The upcoming AGM will take place in Jönköping on Thursday 15 May 2025.

At the AGM on 16 May 2024, a Nomination Committee consisting of Tomas Risbecker (Chair), Stig-Olof Simonsson and Anna Benjamin was appointed. The task of this committee prior to the 2025 AGM is to nominate a Chair of the Board and other Board members, auditors, a Chair for the AGM and to propose fees for the Board and auditors.

Shareholders wishing to have an issue dealt with at the AGM must have submitted such a request in writing to the company no later than 27 March 2025 in order for the issue to be included in the notice. The request must be sent to the company at the

address: XANO Industri AB, Att. AGM 2025, Lantmätargränd 5, SE-553 20 Jönköping, or by email to [ir@xano.se](mailto:ir@xano.se) with "AGM 2025" as the subject.

The annual report for 2024 (in Swedish) will be available in week 13, as a printed version from the head office and in digital format on the website [www.xano.se](http://www.xano.se). The annual report is distributed to those shareholders who have actively notified the company that they wish to receive a copy.

**NEXT REPORT DATE**

The interim report for the period 1 January to 31 March 2025 will be presented on Thursday 8 May 2025.

The undersigned declare that the year-end report provides an accurate summary of the Parent Company's and the Group's activities, position and results. It also describes significant risks and uncertainty factors faced by the Parent Company and the companies that form the Group.

Jönköping, 6 February 2025

Fredrik Rapp  
Chair of the Board

Anna Benjamin  
Vice Chair of the Board

Petter Fägersten  
Board member

Per Rodert  
Board member

Jennie Hammer Viskari  
Board member

Pontus Cornelius  
Board member

Vibeke Gyllenram  
Board member

Lennart Persson  
President & CEO

This report has not been reviewed by the company's auditor.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME		2024	2023	2024	2023
(SUMMARY, SEK million)		3 mths	3 mths	12 mths	12 mths
	Note	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Net revenue	3	857	836	3,315	3,431
Cost of goods sold		-698	-657	-2,680	-2,678
<b>Gross profit</b>		<b>159</b>	<b>179</b>	<b>635</b>	<b>753</b>
Selling expenses		-110	-77	-367	-295
Administrative expenses		-42	-47	-171	-174
Other operating income		75	14	100	49
Other operating expenses		-4	-14	-14	-31
Profit from participations in associated companies		0	-1	0	-1
<b>Operating profit</b>	2	<b>78</b>	<b>54</b>	<b>183</b>	<b>301</b>
Financial income	2	32	2	43	21
Financial expenses	2	-46	-33	-111	-96
<b>Profit before tax</b>	3	<b>64</b>	<b>23</b>	<b>115</b>	<b>226</b>
Tax	4	-3	-5	-15	-51
<b>Net profit/loss for the period</b>	8	<b>61</b>	<b>18</b>	<b>100</b>	<b>175</b>
<i>– of which attributable to shareholders of the Parent Company</i>		<i>61</i>	<i>18</i>	<i>100</i>	<i>175</i>
<b>OTHER COMPREHENSIVE INCOME</b>					
<i>Items that may be reclassified to net profit for the period</i>					
Change in hedging reserve including tax	5	1	-6	-2	-10
Translation differences	5	6	-14	12	-12
Other comprehensive income		7	-20	10	-22
<b>Comprehensive income for the period</b>		<b>68</b>	<b>-2</b>	<b>110</b>	<b>153</b>
<i>– of which attributable to shareholders of the Parent Company</i>		<i>68</i>	<i>-2</i>	<i>110</i>	<i>153</i>
Basic earnings per share, SEK	6	1.03	0.30	1.69	3.01
Diluted earnings per share, SEK	6	1.03	0.30	1.69	3.01

CONSOLIDATED STATEMENT OF FINANCIAL POSITION		2024	2023
(SUMMARY, SEK million)		31 Dec	31 Dec
	Note		
<b>ASSETS</b>			
Goodwill		1,204	1,136
Other intangible non-current assets		190	100
Property, plant and equipment		720	725
Right-of-use assets		148	122
Other non-current assets		22	9
<b>Total non-current assets</b>		<b>2,284</b>	<b>2,092</b>
Inventories		501	509
Current receivables	7	771	851
Cash and cash equivalents	7	227	309
<b>Total current assets</b>		<b>1,499</b>	<b>1,669</b>
<b>TOTAL ASSETS</b>		<b>3,783</b>	<b>3,761</b>
<b>EQUITY AND LIABILITIES</b>			
Equity		1,720	1,651
Non-current liabilities	7	1,202	1,201
Current liabilities	7	861	909
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,783</b>	<b>3,761</b>



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY		2024	2023
(SUMMARY, SEK million)		31 Dec	31 Dec
Opening balance		1,651	1,530
Net profit for the period		100	175
Other comprehensive income		10	-22
<i>Comprehensive income for the period</i>		<i>110</i>	<i>153</i>
Conversion of personnel convertibles		-	70
Effect of convertible loan issued		3	-
Transfer of treasury shares		15	-
Cash dividends paid		-59	-102
<i>Total transactions with shareholders</i>		<i>-41</i>	<i>-32</i>
<b>Closing balance</b>		<b>1,720</b>	<b>1,651</b>
<i>- of which attributable to shareholders of the Parent Company</i>		<i>1,720</i>	<i>1,651</i>

CONSOLIDATED CASH FLOW STATEMENT		2024	2023	2024	2023
(SUMMARY, SEK million)		3 mths	3 mths	12 mths	12 mths
	Note	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Operating profit		78	54	183	301
Interest and income tax paid/received and adjustments for non-cash items		31	49	14	19
Change in working capital		-76	223	-25	199
<b>Cash flow from operating activities</b>		<b>33</b>	<b>326</b>	<b>172</b>	<b>519</b>
Investments					
Acquisitions of subsidiaries	8	72	-2	-25	-213
Other		-41	-28	-108	-100
<b>Cash flow after investments</b>		<b>64</b>	<b>296</b>	<b>39</b>	<b>206</b>
Cash dividends paid		-29	-44	-59	-102
Cash flow from other financing activities		-104	-141	-78	32
<b>Cash flow for the period</b>		<b>-69</b>	<b>111</b>	<b>-98</b>	<b>136</b>
Cash and cash equivalents at the start of the period		290	205	309	178
Exchange rate differences in cash and cash equivalents		6	-7	16	-5
<b>Cash and cash equivalents at the end of the period</b>		<b>227</b>	<b>309</b>	<b>227</b>	<b>309</b>

## NOTES, GROUP

### ■ NOTE 1 ACCOUNTING POLICIES

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and applicable regulations of the Swedish Annual Accounts Act. The Group and the Parent Company apply the same accounting policies as described in the 2023 annual report with the exceptions of new or revised standards, interpretations and improvements, which are applied as from 1 January 2024. The critical assessments and the sources of estimates when preparing this interim report are the same as in the most recent annual report.

### ■ NOTE 2 COMMENTS ON ITEMS REPORTED IN THE CONSOLIDATED INCOME STATEMENT

In this interim report, the Group presents certain financial indicators that are not defined in IFRS. These indicators aim to provide supplementary information as they contribute to the understanding of the Group's financial development.

Items affecting comparability are non-recurring items that have a material financial impact. These may include transactions related to restructuring activities and business combinations. The table below shows a break-down of items affecting comparability by period.

ITEMS AFFECTING COMPARABILITY (SEK million)	2024	2023	2024	2023
	3 mths Oct-Dec	3 mths Oct-Dec	12 mths Jan-Dec	12 mths Jan-Dec
Costs for restructuring activities <sup>1)</sup>	-21	-	-35	-
Items related to business combinations <sup>2)</sup>	66	-	75	-3
Other items <sup>3)</sup>	-31	-	-31	10
<b>Total</b>	<b>14</b>	<b>-</b>	<b>9</b>	<b>7</b>

<sup>1)</sup> Includes, inter alia, redundancy costs for personnel, impairment of right-of-use assets and relocation costs when transferring production between units.

<sup>2)</sup> The 2024 full-year amount includes adjusted conditional purchase price for Integrated Packaging Solutions, LLC amounting to SEK 10.5 million and capital gain of SEK 66 million from divestment of XANO Fastigheter Ljungarum AB.

<sup>3)</sup> Refers to impairment of accounts receivable totalling SEK -31 million (-) and electricity support of SEK - million (10) to Swedish companies.

Financial items include exchange rate effects amounting to SEK 3.3 million (-14,3) for the fourth quarter and SEK 1.1 million (-18.9) for the full year.

### ■ NOTE 3

#### NET REVENUE AND PROFIT/LOSS BEFORE TAX

Net revenue refers to revenue from contracts with customers. The information on segments is provided from the management's perspective, which means that reporting corresponds to the way in which the information is presented internally. The Group reports on the following segments: Industrial Products, Industrial Solutions and Precision Technology. The operations within each segment are described on page 4. The segments are reported in accordance with the same accounting policies as the Group. Market conditions are applied to transactions between the segments.

NET REVENUE AND BREAKDOWN OF INCOME BY SEGMENT (SEK million)	2024	2023	2024	2023
	3 mths Oct-Dec	3 mths Oct-Dec	12 mths Jan-Dec	12 mths Jan-Dec
<b>INDUSTRIAL PRODUCTS</b>	197	202	834	852
Breakdown by geographic market <sup>1)</sup>				
Sweden	84	85	328	338
Rest of the Nordic countries	37	29	174	153
Rest of Europe	75	87	325	354
Rest of the world	1	1	7	7
Breakdown by type of product				
Proprietary products	51	43	226	207
Customer-specific manufacturing	146	159	608	645
Breakdown by timing of revenue recognition				
Goods and services transferred at a point in time	197	202	834	852
<b>INDUSTRIAL SOLUTIONS</b>	532	522	2,033	2,126
Breakdown by geographic market <sup>1)</sup>				
Sweden	151	117	543	501
Rest of the Nordic countries	30	29	123	121
Rest of Europe	194	217	856	929
Rest of the world	157	159	511	575
Breakdown by type of product				
Proprietary products	422	428	1,565	1,660
Customer-specific manufacturing	110	94	468	466
Breakdown by timing of revenue recognition				
Goods and services transferred at a point in time	204	173	712	653
Services transferred over time	31	30	119	86
Projects transferred over time	297	319	1,202	1,387
<b>PRECISION TECHNOLOGY</b>	128	113	449	455
Breakdown by geographic market <sup>1)</sup>				
Sweden	111	95	374	389
Rest of the Nordic countries	1	6	6	11
Rest of Europe	8	7	42	40
Rest of the world	8	5	27	15
Breakdown by type of product				
Proprietary products	1	1	2	2
Customer-specific manufacturing	127	112	447	453
Breakdown by timing of revenue recognition				
Goods and services transferred at a point in time	128	113	449	455
<b>GROUP TOTAL</b>	<b>857</b>	<b>836</b>	<b>3,315</b>	<b>3,431</b>
Breakdown by geographic market <sup>1)</sup>				
Sweden	346	296	1,245	1,226
Rest of the Nordic countries	68	64	303	285
Rest of Europe	277	311	1,222	1,323
Rest of the world	166	165	545	597
Breakdown by type of product				
Proprietary products	473	472	1,792	1,869
Customer-specific manufacturing	384	364	1,523	1,562
Breakdown by timing of revenue recognition				
Goods and services transferred at a point in time	530	487	1,995	1,958
Services transferred over time	31	30	119	86
Projects transferred over time	296	319	1,201	1,387

<sup>1)</sup> Revenue by geographic market refers to revenue from customers according to where the customers are located.

NET REVENUE BY SEGMENT	2024	2023	2024	2023
(SEK million)	3 mths Oct-Dec	3 mths Oct-Dec	12 mths Jan-Dec	12 mths Jan-Dec
Industrial Products	197	202	834	852
Industrial Solutions	532	522	2,033	2,126
Precision Technology	128	113	449	455
Eliminations	0	-1	-1	-2
<b>Group total</b>	<b>857</b>	<b>836</b>	<b>3,315</b>	<b>3,431</b>

PROFIT/LOSS BEFORE TAX BY SEGMENT <sup>1)</sup>	2024	2023	2024	2023
(SEK million)	3 mths Oct-Dec	3 mths Oct-Dec	12 mths Jan-Dec	12 mths Jan-Dec
Industrial Products	-22	5	9	59
Industrial Solutions	11	18	26	163
Precision Technology	9	0	21	23
Undistributed items	66	0	59	-19
<b>Group total</b>	<b>64</b>	<b>23</b>	<b>115</b>	<b>226</b>

<sup>1)</sup> The segment figures refer to the profit/loss before the distribution of group-wide costs and tax in accordance with internal reporting. Undistributed items mainly refer to the Parent Company.

#### ■ NOTE 4 TAX

Tax amounts to 13 per cent (23) of profit before tax for the interim period. Income tax-exempt capital gain from divestment of Group company contributes to the lower tax rate 2024.

#### ■ NOTE 5 OTHER COMPREHENSIVE INCOME

Change in hedging reserve including tax refers to the effective component of the change in value of derivative instruments used for hedge accounting. Translation differences refer to the effects of changes in exchange rates when net investments in non-Swedish subsidiaries are translated to SEK. The amount is reported net of hedging contracts.

## NOTE 6 EARNINGS PER SHARE

BASIC EARNINGS PER SHARE	2024	2023	2024	2023
	3 mths Oct-Dec	3 mths Oct-Dec	12 mths Jan-Dec	12 mths Jan-Dec
Net profit for the period, SEK million	61.1	18.3	100.0	175.4
Average number of outstanding shares, thousands <sup>1, 2)</sup>	59,311	59,131	59,264	58,302
<b>Basic earnings per share, SEK <sup>1, 2)</sup></b>	<b>1.03</b>	<b>0.30</b>	<b>1.69</b>	<b>3.01</b>

DILUTED EARNINGS PER SHARE	2024	2023	2024	2023
	3 mths Oct-Dec	3 mths Oct-Dec	12 mths Jan-Dec	12 mths Jan-Dec
Net profit for the period, SEK million	61.1	18.3	100.0	175.4
Interest expense on convertible bonds, SEK million <sup>3)</sup>	0.6	–	0.6	3.6
Issue expenses for convertible bonds, SEK million	0.0	–	0.0	0.1
<b>Adjusted income, SEK million</b>	<b>61.7</b>	<b>18.3</b>	<b>100.6</b>	<b>179.1</b>
Average number of outstanding shares, thousands <sup>1, 2)</sup>	59,311	59,131	59,264	58,302
Adjustment for presumed conversion of convertible bonds, thousands <sup>1)</sup>	330	–	83	830
<b>Average number of outstanding shares after dilution, thousands <sup>1, 2)</sup></b>	<b>59,641</b>	<b>59,131</b>	<b>59,347</b>	<b>59,132</b>
<b>Diluted earnings per share, SEK <sup>1, 2)</sup></b>	<b>1.03</b>	<b>0.30</b>	<b>1.69</b>	<b>3.01</b>

<sup>1)</sup> Due to conversion, 1,146,084 shares were issued in September 2023.

<sup>2)</sup> 179,442 own shares were transferred in connection with business combinations in April 2024.

<sup>3)</sup> Constitutes current interest for convertible loan adjusted to market interest rate.

On the closing day, the total number of shares stands at 59,640,298, divided between 14,577,600 Class A shares and 45,062,698 Class B shares. After deduction for the company's own holding, 329,690 Class B shares, the number of outstanding shares is 59,310,608. The average number of outstanding shares was 59,264,032 during the year. The average number of shares in the company's custody was 376,266 during the year. Each Class A share entitles ten votes, and each Class B share entitles one vote. The number of votes, following deductions for the company's own holding, is 190,509,008 on the closing day.

## NOTE 7 FINANCIAL ASSETS AND LIABILITIES

Financial assets and liabilities comprise cash and cash equivalents, accounts receivable, loan claims, loan liabilities, accounts payable and any derivatives. The financial assets and liabilities are distributed by category as stated below.

DISTRIBUTION BY CATEGORY 2024-12-31 (2023-12-31)	Loan and accounts receivable valued at accrued acquisition value		Financial liabilities measured at fair value through profit and loss statement		Financial assets/ liabilities measured at fair value through other comprehensive income		Other financial liabilities valued at accrued acquisition value		Total carrying amount		Fair value <sup>1)</sup>	
	(SEK m)											
Accounts receivable	462	(531)			–	(–)			462	(531)	462	(531)
Derivative instruments <sup>2)</sup>	–	–			5	(8)			5	(8)	5	(8)
Cash and cash equivalents	227	(309)			–	(–)			227	(309)	227	(309)
<b>Total financial assets</b>	<b>689</b>	<b>(840)</b>			<b>5</b>	<b>(8)</b>			<b>694</b>	<b>(848)</b>		
Loan liabilities			–	(–)	–	(–)	933	(988)	933	(988)	933	(988)
Lease liabilities			–	(–)	–	(–)	162	(123)	162	(123)		
Convertible loan			–	(–)	–	(–)	33	(–)	33	(–)	35	(–)
Bank overdraft facilities			–	(–)	–	(–)	18	(4)	18	(4)	18	(4)
<b>Total interest-bearing liabilities</b>			–	(–)	–	(–)	<b>1,146</b>	<b>(1,115)</b>	<b>1,146</b>	<b>(1,115)</b>		
Accounts payable			–	(–)	–	(–)	223	(232)	223	(232)	223	(232)
<b>Total financial liabilities</b>			–	(–)	–	(–)	<b>1,369</b>	<b>(1,347)</b>	<b>1,369</b>	<b>(1,347)</b>		

<sup>1)</sup> The fair value of financial assets and liabilities, with the exception of the convertible loan and lease liabilities, is estimated to be the same as their carrying amount in all material respects.

<sup>2)</sup> Current receivables presented in the consolidated statement of financial position include interest derivatives measured at fair value of SEK 5 million (8) for the full year. The derivatives are used for hedging purposes and belong to value level 2 under IFRS 13. The fair value measurement is based on a number of factors, including forward interest rates produced on the basis of observable yield curves.

## ■ NOTE 8 BUSINESS COMBINATIONS

Graniten Engineering AB is included in the consolidated results from 22 March 2024. Dansk Rotations Plastic ApS is included in the consolidated results from 5 April 2024.

According to preliminary acquisition calculation, the total value of acquired assets and liabilities, purchase price and the effect on the Group's liquid assets are as follows:

BUSINESS COMBINATIONS (SEK million)	Reported value in subsidiary	Fair value adjustment	Consolidated fair value
Intangible non-current assets	61	76	137
Property, plant and equipment	22	14	36
Financial assets	2	-	2
Right-of-use assets	-	7	7
Current assets	49	-	49
Non-current liabilities	-12	-12	-24
Current liabilities	-87	-4	-91
<b>Net assets/purchase price</b>	<b>35</b>	<b>81</b>	<b>116</b>
Transfer of treasury shares with no cash-flow effect <sup>1)</sup>			-15
Liquid assets in acquired businesses			-6
Transaction costs			2
<b>Cash flow attributable to acquired business</b>			<b>97</b>

<sup>1)</sup> Recorded as cash flow in the interim report Q1-Q2 2024.

The purchase price for Graniten Engineering AB amounted to SEK 13 million and was paid in cash. The total purchase price for Dansk Rotations Plastic ApS amounted to DKK 67 million. Within the framework of the acquisition, treasury shares corresponding to an amount of DKK 10 million were transferred. The remaining amount, DKK 57 million was paid in cash. The acquisitions preliminary bring surplus values totalling SEK 90 million distributed between goodwill (SEK 50 million), customer relations (SEK 26 million) and property, plant and equipment (SEK 14 million). The transaction costs are estimated at SEK 2.0 million. Goodwill relates to synergy effects. The expectation is that synergies will mainly be achieved by means of the acquisition adding adjacent technical skills and introducing new market niches to existing operations. The utilisation of common resources will also entail coordination advantages.

All the shares in XANO Fastigheter Ljungarum AB were divested as per 28 October 2024. According to preliminary acquisition calculation, the total value of divested assets and liabilities, purchase price and the effect on the Group's liquid assets are as follows:

DIVESTMENT (SEK million)	
Property, plant and equipment	38
Non-current liabilities	-2
Current liabilities	-31
<b>Reported value in subsidiary</b>	<b>5</b>
Net profit up to and including the disposal date	2
Capital gain	66
Transaction costs	-1
<b>Cash flow attributable to divested business</b>	<b>72</b>

TOTAL CASH FLOW ATTRIBUTABLE TO BUSINESS COMBINATIONS (SEK million)	
Cash flow attributable to acquired business	-97
Cash flow attributable to divested business	72
<b>Total cash flow attributable to business combinations</b>	<b>-25</b>

The acquired units contributed SEK 134 million in net revenue and approx. SEK -11 million in net profit after the deduction of acquisition costs, write-offs from surplus values and financial expenses attributable to the acquisitions. Divested operations contributed SEK 2 million in net profit. If the acquired units had been included in the Group throughout the whole period, revenue would have amounted to SEK 3,354 million, while net profit would have been approx. SEK 102 million.

In 2023, Lundgren Machinery AB and Integrated Packaging Solutions, LLC were acquired.

## OTHER DATA

SHARE DATA, GROUP	2024	2023	2024	2023
	3 mths Oct-Dec	3 mths Oct-Dec	12 mths Jan-Dec	12 mths Jan-Dec
Average number of outstanding shares, thousands	59,311	59,131	59,264	58,302
Average number of outstanding shares after dilution, thousands	59,641	59,131	59,347	59,132
Basic earnings per share, SEK	1.03	0.30	1.69	3.01
Diluted earnings per share, SEK	1.03	0.30	1.69	3.01
Cash flow from operating activities per share, SEK	0.56	5.58	2.91	8.91
Total number of shares on closing day, thousands			59,640	59,640
Number of shares in own custody on closing day, thousands			330	509
Number of outstanding shares on closing day, thousands			59,310	59,131
Equity per share on closing day, SEK			28.99	27.91
Share price on closing day, SEK			56.20	76.40

Due to conversion, 1,146,084 shares were issued in September 2023. 179,442 own shares were transferred in connection with business combinations in April 2024.

KEY FIGURES, GROUP	2024	2023	2024	2023
	3 mths Oct-Dec	3 mths Oct-Dec	12 mths Jan-Dec	12 mths Jan-Dec
Operating margin, %	9.1	6.5	5.5	8.8
Adjusted operating margin, %	7.5	6.5	5.3	8.6
Profit margin, %	7.5	2.9	3.5	6.6
Adjusted profit margin, %	5.9	2.9	3.2	6.4
Interest-bearing liabilities, SEK million			1,146	1,115
Deferred tax liabilities, SEK million			108	104
Lines of credit granted but not utilised, SEK million			1,146	1,108
Return on equity p.a., %			6.0	11.0
Return on capital employed p.a., %			7.9	11.6
Return on total capital p.a., %			5.9	8.5
Average equity, SEK million			1,672	1,595
Average capital employed, SEK million			2,849	2,772
Average total capital, SEK million			3,856	3,810
Interest coverage ratio, multiple			2.0	3.4
Equity/assets ratio, %			45	44
Depreciation, SEK million	54	37	169	140
EBITDA, SEK million	132	91	352	441
Adjusted EBITDA, SEK million	107	91	332	434
Net investments in non-current assets, SEK million	72	47	332	378
Employees, average number	1,384	1,405	1,411	1,381

QUARTERLY SUMMARY, GROUP	2024	2023	2024	2023	2024	2023	2024	2023
	Q4	Q4	Q3	Q3	Q2	Q2	Q1	Q1
Net revenue, SEK m	857	836	737	757	896	942	825	896
Gross profit, SEK m	159	179	132	159	186	214	158	201
Operating profit, SEK m	78	54	13	58	61	102	31	87
Adjusted operating profit, SEK m	64	54	27	61	52	92	31	87
Profit before tax, SEK m	64	23	-8	44	42	86	17	73
Net profit for the period, SEK m	61	18	-7	33	33	67	13	57
Operating margin, %	9.1	6.5	1.7	7.7	6.8	10.7	3.8	9.8
Adjusted operating margin, %	7.5	6.5	3.6	8.1	5.8	9.8	3.8	9.8
Profit margin, %	7.5	2.9	-1.2	5.7	4.7	9.1	2.1	8.2
Adjusted profit margin, %	5.9	2.9	0.6	6.1	3.8	8.1	2.1	8.2
Equity/assets ratio, %	45	44	42	41	42	40	43	42
Basic earnings per share, SEK	1.03	0.30	-0.11	0.57	0.55	1.15	0.22	0.99
Cash flow from operating activities per share, SEK	0.56	5.58	2.18	2.45	-0.22	0.20	0.39	0.68

For definitions, see page 17.



## DEFINITIONS

### ADJUSTED EBITDA

Operating profit less items affecting comparability plus depreciation and amortisation of tangible and intangible non-current assets.

### ADJUSTED OPERATING MARGIN

Operating profit less items affecting comparability in relation to net revenue.

### ADJUSTED PROFIT MARGIN

Profit before tax less items affecting comparability in relation to net revenue.

### AVERAGE NUMBER OF EMPLOYEES

Average number of employees during the period based on working hours. Employees who are covered by short-term work/ temporary layoffs are only included to the extent that relates to actually worked time.

### BASIC EARNINGS PER SHARE

Net profit in relation to the average number of outstanding shares.

### CAPITAL EMPLOYED

Balance sheet total less non-interest-bearing liabilities.

### CASH FLOW FROM OPERATING ACTIVITIES PER SHARE

Cash flow from operating activities in relation to the average number of outstanding shares.

### DILUTED EARNINGS PER SHARE

Net profit plus costs relating to convertible loan in relation to the average number of outstanding shares plus the average number of shares added at conversion of outstanding convertibles.

### EBITDA

Operating profit plus depreciation and amortisation of tangible and intangible non-current assets.

### EQUITY PER SHARE

Equity in relation to the number of outstanding shares on the closing day.

### EQUITY/ASSETS RATIO

Equity in relation to total capital.

### INTEREST COVERAGE RATIO

Profit before tax plus financial expenses in relation to financial expenses.

### NET INVESTMENTS

Closing balance less opening balance plus amortisation/ depreciation, impairment costs and translation differences relating to non-current assets.

### ITEMS AFFECTING COMPARABILITY

Events or transactions that have a material financial impact and whose effects on earnings are important to note when comparing the financial results for the period with results for previous periods.

### OPERATING MARGIN

Operating profit in relation to net revenue.

### ORGANIC GROWTH

Growth in net revenue generated by the Group's own efforts and in existing structure. The amount has not been adjusted for exchange rate fluctuations.

### PROFIT MARGIN

Profit before tax in relation to net revenue.

### RETURN ON CAPITAL EMPLOYED

Profit before tax plus financial expenses in relation to average capital employed.

### RETURN ON EQUITY

Net profit in relation to average equity.

### RETURN ON TOTAL CAPITAL

Profit before tax plus financial expenses in relation to average total capital.

### REVENUE GROWTH

Net revenue for the period in relation to net revenue for a comparative period.

### TOTAL CAPITAL

Total equity and liabilities (balance sheet total).

## KEY FIGURES

Key figures included in this report derive primarily from the disclosure requirements according to IFRS. Other performance indicators, known as alternative key figures, describe e.g. the profit trend, financial strength and how the Group has invested its capital. The Group is of the opinion that these indicators provide valuable complementary information as they contribute to the understanding of the Group's financial development. Performance indicators are calculated in accordance with the definitions presented in this interim report.

Presented key figures take the nature of the business into account and are deemed to provide relevant information to shareholders and other stakeholders for assessing the Group's potential to carry out strategic investments, fulfil financial commitments and provide yield for shareholders at the same time as achieving comparability with other companies. The margin measures are also presented internally for each segment.

For reconciliation of key figures, see page 106 in the 2023 annual report.

INCOME STATEMENT, PARENT COMPANY		2024	2023	2024	2023
(SUMMARY, SEK million)		3 mths	3 mths	12 mths	12 mths
	Note	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Net revenue	1	9.2	8.0	33.0	29.7
Selling and administrative expenses		-10.8	-7.3	-41.4	-40.3
<b>Operating profit/loss</b>		<b>-1.6</b>	<b>0.7</b>	<b>-8.4</b>	<b>-10.6</b>
Profit from participations in Group companies		-38.4	-14.7	88.6	115.3
Other financial items		6.6	-2.8	21.4	0.1
<b>Profit/loss after financial items</b>		<b>-33.4</b>	<b>-16.8</b>	<b>99.6</b>	<b>104.8</b>
Appropriations		36.1	55.7	36.1	55.7
Tax	2	-5.1	-12.2	-6.7	-10.5
<b>Net profit for the period</b>		<b>-2.4</b>	<b>26.7</b>	<b>129.0</b>	<b>150.0</b>
<i>Statement of comprehensive income</i>					
Net profit for the period		-2.4	26.7	129.0	150.0
Other comprehensive income		-	-	-	-
<b>Comprehensive income for the period</b>		<b>-2.4</b>	<b>26.7</b>	<b>129.0</b>	<b>150.0</b>

BALANCE SHEET, PARENT COMPANY		2024	2023
(SUMMARY, SEK million)		31 Dec	31 Dec
<b>ASSETS</b>			
Non-current assets		168.9	206.9
Current assets		1,317.5	1,108.5
<b>EQUITY AND LIABILITIES</b>			
Equity		705.0	617.5
Untaxed reserves		28.2	59.0
Non-current liabilities		282.8	250.0
Current liabilities		470.4	388.9
<b>BALANCE SHEET TOTAL</b>		<b>1,486.4</b>	<b>1,315.4</b>

STATEMENT OF CHANGES IN EQUITY, PARENT COMPANY		2024	2023
(SUMMARY, SEK million)		31 Dec	31 Dec
Opening balance		617.5	499.9
Comprehensive income for the period		129.0	150.0
Conversion of personnel convertibles		-	69.9
Effect of convertible loan issued		2.4	-
Transfer of treasury shares		15.4	-
Cash dividends paid		-59.3	-102.3
<b>Closing balance</b>		<b>705.0</b>	<b>617.5</b>

CASH FLOW STATEMENT, PARENT COMPANY	2024	2023	2024	2023
(SUMMARY, SEK million)	3 mths Oct-Dec	3 mths Oct-Dec	12 mths Jan-Dec	12 mths Jan-Dec
Operating profit/loss	-1.6	0.7	-8.4	-10.6
Interest and income tax paid/received and adjustments for non-cash items	39.3	86.5	165.6	150.3
Change in working capital	-48.7	28.9	-170.8	-49.9
<b>Cash flow from operating activities</b>	<b>-11.0</b>	<b>116.1</b>	<b>-13.6</b>	<b>89.8</b>
Investments	-0.4	-	-0.4	-0.1
<b>Cash flow after investments</b>	<b>-11.4</b>	<b>116.1</b>	<b>-14.0</b>	<b>89.7</b>
Financing	-23.8	-110.8	5.2	-102.4
<b>Cash flow for the period</b>	<b>-35.2</b>	<b>5.3</b>	<b>-8.8</b>	<b>-12.7</b>
Cash and cash equivalents at the start of the year	35.0	0.0	8.7	21.7
Exchange rate differences in cash and cash equivalents	0.2	3.4	0.1	-0.3
<b>Cash and cash equivalents at the end of the period</b>	<b>0.0</b>	<b>8.7</b>	<b>0.0</b>	<b>8.7</b>

■ **NOTE 1**

Net revenue refers to revenue from contracts with customers. 100 per cent (100) of the Parent Company's net revenue comes from invoicing to subsidiaries.

■ **NOTE 2**

Income tax amounts to 5 per cent (7) for the full year. Income tax-exempt dividends contribute to the lower tax rate.

*The Parent Company, XANO Industri AB (publ) with corporate identity number 556076-2055, is a public limited liability company with its registered office in Jönköping, Sweden.*



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